

## Affordable Drugs Fact Sheet

### **Medications *are* being re-imported legally, but only by drug makers.**

- Significant quantities of prescription drugs are already imported and re-imported legally by pharmaceutical manufacturing companies. Re-importation occurs when prescription drugs are manufactured in U.S., sent to Canada, then sent back to U.S. for consumer purchase.
- American and international pharmaceutical companies have facilities located throughout the world – in Europe, Asian and South America. According to the International Trade Commission, pharmaceutical companies imported \$14.7 billion into the United States in 2001.
- Even though drug companies can import and re-import drugs, American pharmacists and distributors are prohibited from purchasing FDA-approved drugs at the much-lower prices available in other countries and passing the savings along to their customers.

### **Illinois is exploring ways to safely import less expensive Canadian drugs.**

- Illinois would seek to meet or exceed current safeguards. The Illinois plan would abide by the Federal Drug and Cosmetic Act in its entirety.
- All medications would be dispensed with valid prescription and additional verification process.
- Only FDA-approved pharmaceuticals manufactured in FDA-approved facilities would be considered as part of an Illinois plan.

### **The savings for Illinois taxpayers and consumers could be great.**

- Pharmaceutical companies sell the same prescription drugs at a lower price to Canadians. Recent cost comparison of Illinois and Canadian retail prices for 30 day supply include:

Prevacid (30mg) High consumption drug in IL for acid reflex	U.S. Price: \$118	Canadian: \$65
Actonel (30mg) Prescribed for breast cancer survivors	U.S. Price: \$474	Canadian: \$295
Lipitor (80mg) For high cholesterol/high blood pressure	U.S. Price: \$98	Canadian: \$74
Vioxx (25mg) For arthritic conditions	U.S. Price: \$98	Canadian: \$74

- American consumers in 2002 were charged, on average, 38 percent more than consumers in Canada, 31 percent more than citizens of Great Britain, 45 percent more than French consumers, and 48 percent more than Italian citizens.

**The savings would be especially helpful for senior citizens who are hardest-hit by high drug prices.** (information from Center for policy Alternatives)

- Nearly half of all 75+ seniors live at only 200% of the poverty level.
- 1 out of 5 seniors takes at least five prescription medications a day.
- 19 million seniors have little or no prescription drug coverage and 35% of Medicare recipients lack prescription drug coverage.
- Only 4.1 million seniors receive Medicaid benefits.

**While drug companies claim importing less expensive drugs would threaten their research efforts, they actually spend significantly more on marketing and advertising than research and development.**

- The top 10 drug companies spent nearly three times more on marketing, public relations and administration than they did on research and development in 1999, according to shareholder reports.
- Since the Food and Drug Administration in 1997 eased its restrictions on television ads, advertisements of all types aimed at retail consumers grew from \$791 million to \$2.5 billion in 2000. Television ads in particular leaped from \$220 million in 1996 to \$1.6 billion in 2000.
- A drug industry audit showed there are 70,000 sales representatives covering 756,000 physicians, a ratio of nearly one salesperson for every 10 doctors.

**There is strong public support for allowing drugs to be imported from Canada.** (information from the Kaiser Health Poll Report)

- 68% of those polled favor legislation that would make it easier for people to buy prescription drugs from Canada. When given arguments for and against such legislation, 63% of the public continues to express support.

